

CANNON BUILDING 861 SILVER LAKE BLVD., SUITE 203 DOVER, DELAWARE 19904-2467

STATE OF DELAWARE REAL ESTATE COMMISSION

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PUBLIC MEETING MINUTES: REAL ESTATE COMMISSION

MEETING DATE AND TIME: Thursday, July 9, 2015 at 9:00 a.m.

PLACE: 861 Silver Lake Boulevard, Dover, Delaware

Conference Room A, Second Floor of the Cannon Building

MINUTES FOR APPROVAL August 13, 2015

MEMBERS PRESENT

Justin Healy, Professional Member, Chairman Jason Giles, Professional Member, Vice Chairman Andrew Staton, Professional Member, Chairman Lynnette Scott, Professional Member, Secretary Michael Harrington, Sr., Professional Member Lynn Rogers, Public Member Curtis Rogers, Public Member Joseph F. McCann, Public Member Lynne Newlin, Public Member

DIVISION STAFF/ DEPUTY ATTORNEY GENERAL

Eileen Kelly, Deputy Attorney General Nicole Williams, Administrative Specialist II Jessica Williams, Administrative Specialist II

MEMBERS ABSENT

None

ALSO PRESENT

Tim Riale, Real Estate Commission's Education Committee

CALL TO ORDER

Mr. Healy called the meeting to order at 9:04 a.m.

REVIEW OF MINUTES

Mr. Giles made a motion, seconded by Mr. Harrington, to approve the minutes of the meeting held on June 11, 2015. By majority vote, the motion carried. Ms. Newlin abstained.

NEW BUSINESS

Education Committee Report

Mr. Riale went through the Education Committee minutes with the Commission. They reviewed nine new course provider applications of which five were approved as submitted, two were approved with modifications and two was denied as one did not have a clocking mechanism and one had inadequate

outline, five instructor applications were reviewed and 5 were approved as requested and one as approved with modifications. A request to consider a previous course provider application was reviewed again and was approved for three hours for Module 7.

Mr. Riale further advised that Commissioner Harrington attended the Committee meeting where a CE Shop representative made a presentation about online CE. Based on information from the representative, the Committee recommended that the Commission limit the number of modules completed online to 2 modules in a 24 hour period. The Committee also recommended that online CE courses have no more than a ten minute period of inactivity before the session is terminated. Finally, the Committee recommended requiring a 75 percent pass rate for the final exam. Mr. Staton advised that limiting the number of online CE hours during a 24 hour period would be really hard to regulate. Ms. Scott inquired what the reason was for trying to regulate the number of courses. The Commission further discussed as to why this needs to be regulated if the licensees are taking the courses and obtaining the passing rate on the final exams. Mr. Riale advised that this recommendation was brought forward due to the fact that a licensee can get through an online course in 20 minutes. Mr. Healy advised that the bottom line is that the licensees have to get their credits whether online or not, but his concern is for the quality of the course. Mr. McCann stated that the genesis of this matter is that people are taking all these courses online at the last minute before they have to renew. Mr. Harrington advised Mr. Riale that the Commission is in agreement with the Committee's recommendations with the exception of limiting the number of online hours to 9 hours per day.

Mr. Harrington suggested that the Commission look into offering the pre-licensing course online as well. Mr. Staton advised that the pre-licensing course can be giving online it is just a matter of actually doing so. Mr. Staton stated that an online pre-licensing course should be taken to the Committee to begin the approval process to meet DOE's standards for pre-licensing courses. The Committee should make a recommendation that would come to the Commission for approval.

Mr. Staton made a motion to approve the minutes of the Education Committee, seconded by Mr. Giles. By unanimous vote, motion carried. Mr. Staton made a motion that the Commission approve the Committee recommendations as to online CE, except for limiting the number of online courses that can be taken in a day, seconded by Mr. McCann. By unanimous vote, the motion carried. Mr. Staton made a motion for the Education Committee to draft a letter to be sent out to all organizations to encourage them to offer an online pre-licensing course, seconded by Mr. Harrington. By unanimous vote, the motion carried. Ms. Kelly advised that the two recommendations submitted will require a rules and regulations change. Mr. Healy inquired about notification going to the online course providers but to also include the providers who are teaching the pre-licensing classes. Mr. Staton stated that the letter would go to all pre-licensing course providers. Mr. Giles inquired about the Broker pre-licensing course being offered online as well. The Commission determined all pre-licensing rule contemplates that it could be an online course.

Ms. J. Williams requested clarification regarding the letter to be drafted by the Committee to go to the providers as there needs to be a rule change first since the course requires accreditation. The Commission stated that the drafting of this letter to be sent out will be placed on hold until the regulations have been changed. Mr. Staton made a motion for the Education Committee to draft a template for the online pre-licensing course, seconded by Mr. Giles. By unanimous vote, the motion carried.

<u>Applications for Licensure</u> <u>Ratification of Salesperson Applications</u>

Ms. Scott made a motion, seconded by Mr. Harrington, to ratify the following applications for salespersons:

Karen Mengden, RE/MAX of Wilmington, Wilmington, DE

Christopher Zwakenberg, Keller Williams Realty, Wilmington, DE

Jennifer Snyder, Tom Livizos Real Estate Company, Newark, DE

Russell Kline, BHHS Gallo Realty, Rehoboth Beach, DE

Harry Faust, IV, Coldwell Banker Resort Realty, Rehoboth Beach, DE

Laurie McFaul, Resort Quest, Bethany Beach, DE

Daniel Dellegrotti, Long & Foster Real Estate, Inc., Lewes, DE

Steven Shaw, Keller Williams Realty at the Beach, Rehoboth Beach, DE

Jenna Lorenzoni, RE/MAX Associates, Hockessin, DE

Michael LeNoir, Jr., Keller Williams Realty, Dover, DE

Gail Kodokian, RE/MAX Sunvest Realty, Wilmington, DE

Dellamarie Keyes, Long & Foster Real Estate Inc., Lewes, DE

Gregory Meyers, Maggio Shields Real Estate Brokerage, Rehoboth Beach, DE

Bernard Nelson, Realty 2000 Plus Inc., Potomac, MD

Rhonda Shin, Berkshire, Hathaway Home Services Fox Roach Realtors, Hockessin, DE

Diane Thornberg, Long & Foster Real Estate Inc., Lewes, DE

Crystal Chillas Whaley, Century 21 Premier Homes, Middletown, DE

Amanda Clauges, RE/MAX Associates, Newark, DE

Phillip Hibbard, Keller Williams Realty, Greater Newark/Middletown, DE

Jonathan Russell, Patterson Schwartz & Associates, Wilmington, DE

Sandretta Savage, Patterson Schwartz, Hockessin, DE

Corrine Vainer, Century 21 Gold Key, Newark, DE

Lynnette Childs, RE/MAX Horizons, Inc., Dover, DE

Kelly Hall, Keller Williams Realty Central DE, Dover, DE

Lynne Heritage, Bay Coast Realty, Rehoboth Beach, DE

Edwin Lucus III, ELM Properties, Wilmington, DE

George Bendler, Bendler Realty Corp., Salisbury, MD

Shirley Class, Mann & Sons, Inc., Rehoboth Beach, DE

Amy Fowler, Patterson Schwartz, Greenville, DE

Liza Orlando, NextRE, Dover, DE

Shannon Payton, Home Team Realty, Seaford, DE

Barry Reap, Patterson Schwartz Real Estate, Dover, DE

Stephanie Webb, Connor Jacobsen Realty, Bethany Beach, DE

Deborah DeMarco, RE/Max by the Sea, Bethany Beach, DE

Michael Saunders, Remax Associates, Newark DE

Shirlene Mann, NextRE, Dover, DE

Charles Mann, NextRE, Dover, DE

Robert Brescia, Patterson-Schwartz, Hockessin, DE

Austin Hodges, Harrington ERA Realty, Inc., Dover, DE

Francis, Esparza, Linda Vista Real Estate, Seaford, DE

By unanimous vote, the motion carried.

Review of Salesperson Application

Mr. Giles made a motion, seconded by Mr. Harrington to approve the salesperson licenses for John Bean and Shanen Truitt. Ms. Kelly advised that the motion to approve needs to be withdrawn as both applications require review by the Commission. Ms. Scott made a motion to withdraw the previous

motion to approve the applications for John Bean and Shanen Truitt, seconded by Mr. Harrington. By unanimous vote the motion carried.

John Bean - Broker Pre-Licensing Course

Ms. Kelly advised that Mr. Bean is applying by reciprocity for a salesperson license, but he took the Florida online broker pre-licensing course. The Commission advised that they had not in the past approved this. Mr. Staton advised that he believes Florida only has broker licenses. Ms. Kelly read the rules regarding reciprocity and the three alternatives to become a salesperson in Delaware. Mr. Staton advised that Florida only has 72 hours of pre-licensing. Ms. Kelly advised that Delaware does not have reciprocity agreements. Mr. Bean is to be informed of statute 2909(b) and that the Commission is not going to approve the Florida broker course. Ms. Scott made a motion, seconded by Mr. Staton to table the application for John Bean with an explanation of Section 2909(b) and that the Commission will not approve his Florida Broker's pre-licensing course.

Shanen Truitt

Ms. Kelly advised that Ms. Truitt has a charge of criminal mischief under \$1000 for property damage charge from 2005 on her criminal background check and submitted a letter regarding domestic issues. A letter was sent to Ms. Truitt to explain the criminal mischief charge. Ms. Kelly advised that it was a misdemeanor. Ms. Newlin advised that since it is involved with a domestic dispute and is not a concern to the public. Mr. McCann made a motion, seconded by Ms. Scott to approve Ms. Truitt's application as a salesperson. Four members approved, five denied the motion. Motion to approve denied. The Commission proposed to deny the application for Shanen Truitt due to the charge of criminal mischief under \$1000 property damage.

Review of Broker and Associate Broker Applications

The Commission reviewed the broker's applications of David Clary and Tracy Hopkins-Tindall. Mr. Healy made a motion, seconded by Ms. Scott, to approve Mr. Clary's and Ms. Hopkins-Tindall's applications. By unanimous vote, the motion carried.

The Commission reviewed the associate broker's application of Jeanne Parrott, Wilson Comegys, and Amir Razi. Mr. Healy made a motion, seconded by Ms. Scott, to approve Mr. Comegys', Ms. Parrott's and Mr. Razi's applications. By unanimous vote, the motion carried.

Review of Applications for Reinstatement

The Commission reviewed the application of Angellete Young for reinstatement of a Salesperson's license. Ms. Scott made a motion, seconded by Mr. Giles, to approve Ms. Young's reinstatement application upon successful passing of the Delaware State Exam. By unanimous vote, the motion carried.

The Commission reviewed the application of Dionne Rhoades for reinstatement of a Salesperson's license Ms. Scott made a motion, seconded by Mr. Giles, to approve Ms. Rhoade's reinstatement application upon successful passing of the National and Delaware State Exam. By unanimous vote, the motion carried.

The Commission reviewed the application of Shawn Murray for reinstatement of a Salesperson's license. Ms. Scott made a motion, seconded by Mr. Giles, to approve Mr. Murray's reinstatement application upon successful passing of the National and Delaware State Exam. By unanimous vote, the motion carried.

Review of Applications for New Office

The Commission reviewed the application of Realty Mark of Delaware, LLC, for a new main office. Mr. Giles made a motion, seconded by Mr. Harrington, to approve the new main office application. By unanimous vote, the motion carried.

The Commission reviewed the application of Shore Realty LLC for a new main office. Mr. Giles made a motion, seconded by Mr. Harrington, to approve the new main office application. By unanimous vote, the motion carried.

Status of Complaints

Complaint # 02-50-14 — Closed by Investigator Complaint # 02-51-14 — Closed by Investigator

Complaint # 02-52-14 – Closed by Investigator

Review and Consider Proposed Changes to Unimproved Lot Sellers Disclosure and New Construction <u>Disclosure Forms</u>

The Commission reviewed the forms with the proposed changes. Mr. Staton advised that he wants to move forward with the new form. Ms. Scott made motion to review the documents for next meeting, seconded by Ms. Newlin. By unanimous vote, the motion carried.

Mr. Harrington advised that he would like the Education Committee to review the forms as well. Ms. Kelly advised that the form falls outside the scope of what the Education Committee does. Mr. Staton wants the Commission to review both forms for the next meeting and have discussion at that time with their comments. Mr. Staton made a motion to take in comments for new construction, seconded by Ms. Scott. By unanimous vote, the motion carried.

Correspondence

There was no correspondence for this month.

OLD BUSINESS

Review and Consider Final Order from Proposal to Deny Hearing for James Harrison

Ms. Kelly advised that the hearing occurred last month and today they Commission has to review the final order for approval. The Commission reviewed and approved the final order. Mr. Staton signed the final order as he was the Chairman at the time of the hearing.

Review of Revised Notice to Licensees Regarding BPOs

Ms. Kelly stated the Commission needs to review the proposed changes that were made and inquired if they would like to approve the reviews and accept them as submitted. Mr. Staton agreed with the changes made by Ms. Kelly. Ms. Scott made a motion to approve the changes, seconded by Mr. Staton. By majority vote, the motion carried. Ms. Newlin abstained.

Ms. Scott inquired about the investigators dismissing cases regarding lack of evidence and wants a letter drafted to be sent to the investigators. Ms. Newlin left the meeting at 10:08 a.m. Ms. Kelly will ask to have the above Notice forwarded to Mr. Ford, the supervisor of Investigations.

OTHER BUSINESS BEFORE THE COMMISSION (for discussion only)

There was no other business before the Commission.

PUBLIC COMMENT

There was no public comment.

NEXT SCHEDULED MEETING

The next meeting will be held on Thursday, August 13, 2015 at 9:00 a.m.

ADJOURNMENT

Mr. McCann made a motion, seconded by Mr. Giles, to adjourn the meeting. By unanimous vote, the motion carried. The meeting adjourned at 10:09 a.m.

Respectfully submitted,

Nicole Williams

Administrative Specialist II

The notes of this meeting are not intended to be a verbatim record of the topics that were presented or discussed. They are for the use of the Board members and the public in supplementing their personal notes and recall for presentations.